

BLEVINS WATER & SEWER SYSTEM



BLEVINS, ARKANSAS

DECEMBER 31, 2023

BLEVINS WATER & SEWER SYSTEM  
BLEVINS, ARKANSAS

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INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and City Council  
Blevins Water & Sewer System  
Blevins, Arkansas

We have performed the procedures enumerated below on the accounting records of Blevins Water & Sewer System as of and for the year ended December 31, 2023. Blevins Water & Sewer System's management is responsible for the entity's accounting records.

Blevins Water & Sewer System has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of satisfying annual reporting requirements of the Arkansas Division of Legislative Audit. Additionally, the Arkansas Legislative Joint Auditing Committee has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. Cash and Investments

- a. Perform a proof of cash for the year and reconcile year-end bank balances to book balances.
- b. Confirm with depository institutions the cash on deposit and investments.
- c. Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater.

We found no exceptions as a result of the procedures.

2. Receipts

- a. Agree the deposits per the proof of cash for the year with the deposits per the journal within 5% or \$500, whichever is greater.
- b. Agree ten customer payments on the accounts receivable sub ledger to deposit and billing documents.
- c. For ten deposits, agree the cash/check composition of the deposit with receipt information.

We found no exceptions as a result of the procedures.

3. Accounts Receivable

- a. Agree ten customer billings to the accounts receivable sub ledger.
- b. Determine that five customer adjustments were properly authorized.

We found no exceptions as a result of the procedures.

4. Disbursements

- a. Agree the disbursements per the proof of cash for the year with the disbursements per the journal within 5% or \$500, whichever is greater.
- b. Analyze all property, plant and equipment disbursements.
- c. Select all disbursements paid to employees other than payroll and ten other disbursements and determine if they were adequately documented.

We found no exceptions as a result of the procedures.

5. Property, Plant, and Equipment

- a. Determine that additions and disposals were properly accounted for in the records. (Materiality level – 5% of total equipment or \$500, whichever is greater.)

We found no exceptions as a result of the procedure.

6. Long-Term Debt

- a. Schedule long-term debt and verify changes in all balances for the year.
- b. Confirm loans, bonds, notes, and contracts payable with lender/trustee/contractor.
- c. Determine that the appropriate debt service accounts have been established and maintained.

We found no exceptions as a result of the procedures.

7. General

- a. Determine that any items of financial significance were approved and documented in the minutes of the governing body's meetings.

We found no exceptions as a result of the procedure.

We were engaged by Blevins Water & Sewer System to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records of Blevins Water & Sewer System. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Blevins Water & Sewer System and to meet other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Blevins Water & Sewer System and the Arkansas Legislative Joint Auditing Committee, and is not intended to be and should not be used by anyone other than those specified parties.

*Turner, Rodgers, Manning & Plyler, PLLC*

Arkadelphia, Arkansas

June 19, 2025

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Blevins Water & Sewer System  
Blevins, AR

Management is responsible for the accompanying financial statements of Blevins Water & Sewer System, which comprise the statement of assets, liabilities, and net position – cash basis as of December 31, 2023, and the related statement of cash receipts and cash disbursements for the year then ended in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about Blevins Water & Sewer System's cash position, and results of operations – cash basis. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis and budgetary comparison schedule that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

*Turner, Rodgers, Manning & Plyler, PLLC*

Arkadelphia, Arkansas  
June 19, 2025

BLEVINS WATER & SEWER SYSTEM  
STATEMENT OF ASSETS, LIABILITIES  
AND NET POSITION - CASH BASIS  
DECEMBER 31, 2023

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ASSETS

CURRENT ASSETS:

Cash and Cash Equivalents	\$ 78,759
Certificates of Deposit	51,068
TOTAL CURRENT ASSETS	<u>129,827</u>

RESTRICTED ASSETS:

Restricted Cash - Debt Service	14,244
Restricted Cash - Meter Deposits	15,540
TOTAL RESTRICTED ASSETS	<u>29,784</u>

TOTAL ASSETS

\$ 159,611

LIABILITIES AND NET POSITION

CURRENT LIABILITIES:

Current portion of Long-Term Debt	\$ 6,516
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LIABILITIES PAYABLE FROM RESTRICTED ASSETS:

Meter Deposits Payable	15,540
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LONG-TERM LIABILITIES:

Notes Payable	277,469
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TOTAL LIABILITIES

299,525

NET POSITION:

Restricted	14,244
Unrestricted	(154,158)
TOTAL NET POSITION	<u>(139,914)</u>

TOTAL LIABILITIES AND NET POSITION

\$ 159,611

See Accountants' Compilation Report.

BLEVINS WATER & SEWER SYSTEM  
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS  
 FOR YEAR ENDED DECEMBER 31, 2023

CASH RECEIPTS:	
Customer Collections	\$ 82,435
Meter Deposits Collected (Net)	800
Miscellaneous Income	3,648
Interest Income	1,495
TOTAL CASH RECEIPTS	88,378
CASH DISBURSEMENTS:	
Salaries and Wages	12,594
Contract Labor	6,177
Capital Purchases	2,748
Purchases of Certificate of Deposit	51,068
Supplies	2,053
Utilities	5,466
Repairs and Maintenance	9,710
Legal and Professional	5,162
Office Supplies	690
Dues and Subscriptions	1,595
Taxes	5,528
Debt Service - Principal	46,872
Debt Service - Interest	8,611
Transfer to Street	2,000
Miscellaneous	989
TOTAL CASH DISBURSEMENTS	161,263
NET CHANGE IN CASH	(72,885)
CASH BALANCE - BEGINNING OF YEAR	181,428
CASH BALANCE - END OF YEAR	\$ 108,543

See Accountants' Compilation Report.